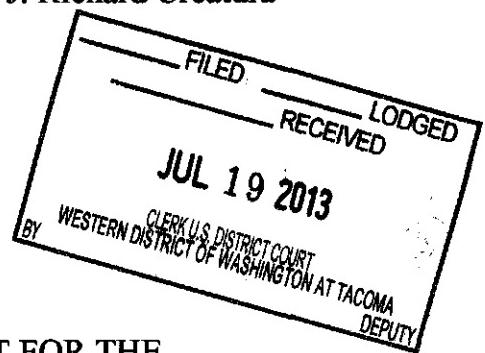


Judge J. Richard Creatura



**UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

UNITED STATES OF AMERICA,

Plaintiff

v.

JUAN CARLOS DELACRUZ PIOTE,

Defendant.

NO. MJ13-5154

COMPLAINT FOR VIOLATION

**18 United States Code,
Sections 1343 and 2**

COUNT ONE TO NINE **(Wire Fraud)**

Between in or about June 2011 and up to and including the present day, within the Western District of Washington, and elsewhere, JUAN CARLOS DELACRUZ PIOTE, defendant herein, and others known and unknown, devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

I. Object of the Scheme

1. The object of the scheme was to defraud, and to obtain money and property, from victims seeking to buy cars, boats, and other items advertised on the internet. Specifically, DELACRUZ PIOTE and his co-schemers fraudulently advertised

Complaint/De La Cruz Piote- 1

UNITED STATES ATTORNEY
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TACOMA, WASHINGTON 98402
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1 recreational vehicles (RV's), motor homes, cars, and boats for sale on the internet, and
2 would then cause unwitting buyers to send money in payment for these items. In truth
3 and fact, DELACRUZ PIOTE never intended to sell or send the items, and instead
4 intended to steal the money that victims sent to bank accounts that DELACRUZ PIOTE
5 controlled. To date, the scheme has netted a total of approximately \$251,990 in wire
6 transfers to the bank account of GMC AUTOS, LLC.

7 **II. Manner and Means of the Scheme**

8 2. It was part of the scheme that DELACRUZ PIOTE would enter the United
9 States for the purpose of committing the scheme.

10 3. It was further part of the scheme that DELACRUZ PIOTE and his co-
11 schemers would and did open bank accounts in the names of companies, such as GMC
12 AUTOS, LLC., at federally insured financial institutions and elsewhere.

13 4. It was further part of the scheme that DELACRUZ PIOTE and other co-
14 schemers would and did cause advertisements to be placed on internet sites, fraudulently
15 offering for sale items such as recreational vehicles, cars, boats, and other expensive
16 items, that the co-schemers did not intend to deliver.

17 5. It was further part of the scheme that DELACRUZ PIOTE and other co-
18 schemers would and did respond, by telephone and by email, when potential victims
19 expressed interest in purchasing the items.

20 6. It was further part of the scheme that DELACRUZ PIOTE and other co-
21 schemers would and did instruct potential victims that, to avoid being scammed when
22 purchasing the listed items, the victims should use a service called "Amazon Payments."
23 In truth and fact, DELACRUZ PIOTE and other co-schemers were in no way associated
24 with Amazon, and instead used the name to lull their victims into a false sense of
25 security.

1 7. It was further part of the scheme that DELACRUZ PIOTE and other co-
2 schemers would cause their victims to transfer, by wire, in and through interstate
3 commerce, the purchase money for the items listed for sale, to bank accounts they had set
4 up in the name of GMC AUTOS, LLC and other names, all with no intention of
5 delivering the items offered for sale.

6 8. It was further part of the scheme that DELACRUZ PIOTE and other co-
7 schemers would and did then cause the proceeds received from their victims to be again
8 wire transferred, to accounts outside the United States, and would and did withdraw the
9 victims' money from these accounts, all without delivering, or intending to deliver, the
10 items listed for sale in the internet advertisements.

11 9. It was further part of the scheme that DELACRUZ PIOTE and other co-
12 schemers would and did make false statements to the banks, to their victims, to the
13 police, and to others, all to lull them and to give the schemers the opportunity to flee from
14 the area and outside of the United States.

15 10. It was further part of the scheme that DELACRUZ PIOTE and other co-
16 schemers, if arrested for their frauds, would have their co-schemers pay any bond or bail,
17 in untraceable currency, to give them the option of fleeing the charges, and preventing
18 law enforcement from tracing and detecting the other members of the scheme.

19 11. It was further part of the scheme that DELACRUZ PIOTE would and did
20 open and use a bank account in the name of GMC Autos LLC at Chase Bank, account
21 3018, at the branch located at 14400 124th Ave. NE., Kirkland, WA 98034.

22 12. It was further part of the scheme that DELACRUZ PIOTE would and did
23 open and use bank accounts in the name of GMC Autos LLC at Bank of America,
24 accounts 9703 & 9612, at the branch located at 12727 SE 38th St., Bellevue, WA 98006.

25 13. It was further part of the scheme that DELACRUZ PIOTE would and did
26 open and use bank accounts in the name of GMC Autos LLC at Wells Fargo Bank,
27 accounts 3202 & 9548, at the branch located at 13505 NE. 175th St., Woodinville, WA
28 98072.

1 | **III. Execution of the Scheme**

2 | 14. On or about the dates listed below, in the Western District of Washington
 3 | and elsewhere, having devised the above-described scheme and artifice, DELACRUZ
 4 | PIOTE and co-schemers did knowingly transmit and cause others to transmit, by means
 5 | of wire communications in interstate and foreign commerce, writings, signs, signals, and
 6 | sounds, as further described below, each of which constitutes a separate count of this
 7 | Complaint.

| Count | Date | Sender | Recipient | Wire Transmission |
|-------|---------|---|---|------------------------|
| 1 | 8/04/11 | P.A. of California with an account at Bank of America | Chase account 3018 under GMC AUTOS, LLC | \$32,000 Wire Transfer |
| 2 | 8/05/11 | O.M.I. of Massachusetts with an account at TD Bank | Chase account 3018 under GMC AUTOS, LLC | \$32,500 Wire Transfer |
| 3 | 8/08/11 | C.S. of Ohio with an account at Key Bank | Chase account 3018 under GMC AUTOS, LLC | \$5,000 Wire Transfer |
| 4 | 8/08/11 | S.A. of Washington with an account at Wells Fargo Bank | Chase account 3018 under GMC AUTOS, LLC | \$45,650 Wire Transfer |
| 5 | 8/08/11 | A.M.G. of Massachusetts with an account at RBS Citizen's Bank | Bank of America account 9703 under GMC AUTOS, LLC | \$30,000 Wire Transfer |
| 6 | 8/09/11 | A.K. of Rhode Island with an account at RBS Citizens | Chase account 3018 under GMC AUTOS, LLC | \$5,000 Wire Transfer |
| 7 | 8/10/11 | K.C.C. of Ohio with an account at Chase Bank | Bank of America account 9703 under GMC AUTOS, LLC | \$33,000 Wire Transfer |
| 8 | 8/11/11 | C.S.L of California with an account at Chase Bank | Chase account 3018 under GMC AUTOS, LLC | \$33,490 Wire Transfer |

| | | | | | |
|---|---|---------|--|---|------------------------|
| 1 | 9 | 8/11/11 | S.A. of Washington with an account at Wells Fargo Bank | Chase account 3018 under GMC AUTOS, LLC | \$35,350 Wire Transfer |
|---|---|---------|--|---|------------------------|

3
4 All in violation of 18, United States Code, Sections 1343 and 2.
5

6 I, Lindsay M. Wills, being duly sworn, do hereby depose and state as follows:
7

8 1. I am a Special Agent with U.S. Homeland Security Investigations (HSI),
9 within Immigration and Customs Enforcement (ICE) in the Department of Homeland
10 Security (DHS) in Seattle, Washington and have been so employed since 2007. I am
11 currently assigned to a Financial Investigations Group, and in that capacity investigate
12 criminal financial activity such as currency structuring, money laundering, wire fraud,
13 and bulk cash smuggling. I am a member of the Financial Intelligence Review Team in
14 Seattle, Washington, through which HSI and other federal law enforcement agencies
15 share information and coordinate investigations into criminal activity in the banking
16 industry. I also participate in Operation Cornerstone, a cooperative venture between HSI
17 and the banking and financial industry, which addresses vulnerabilities in those industries
that might be exploited by criminals.

18 2. I am a graduate of the Criminal Investigator Training Program and the ICE
19 Special Agent Training Program at the Federal Law Enforcement Training Center. I have
20 received training in interviewing techniques, arrest procedures, search warrant
21 applications, the execution of searches and seizures, and various other criminal laws and
22 procedures. I have attended training courses sponsored by ICE, the Department of
23 Justice, the Department of Defense, and other law enforcement agencies, which focused
24 on the investigation of money laundering violations and other financial crimes.

25
26 **I. PURPOSE OF AFFIDAVIT**

27 3. The information set forth in this affidavit consists of information I gathered
28 and observed firsthand through the course of this investigation to date, as well as

1 information relayed to me by other law enforcement personnel, information from victim
 2 statements, interviews of witnesses, non-law enforcement personnel, and by review and
 3 analysis of various financial records to include those records received pursuant to Grand
 4 Jury subpoena. The information in this affidavit is not intended to detail each and every
 5 fact and circumstance of the investigation or all information known to me or all the
 6 participants involved in the investigation. Rather, this affidavit serves solely to establish
 7 that probable cause exists that Juan Carlos DELACRUZ PIOTE committed violations of
 8 18 U.S.C. § 1343, wire fraud, 18 U.S.C. § 1342, fictitious name or address, and 18 U.S.C.
 9 § 1956, money laundering.

10 II. BACKGROUND

11 4. Since July 8, 2011, HSI has been conducting an investigation of MGA
 12 ENGINES, LLC, AUTO FINANCIAL, LLC, and GMC AUTOS, LLC for alleged
 13 violations of Title 18 U.S.C. § 1343, wire fraud. Based on the information contained in
 14 this affidavit, your affiant has probable cause to believe that the businesses AUTO
 15 FINANCIAL, LLC, (owned by Mariano BLASCO GUTIERREZ), MGA ENGINES,
 16 LLC (owned by Jose Antonio GANDULLO MORCILLO), and GMC AUTOS, LLC,
 17 (owned by Juan Carlos DELACRUZ PIOTE) were established for the purpose of
 18 facilitating a wire fraud scheme. The essence of the scheme was to fraudulently advertise
 19 items for sale on the Internet, and to cause victim/buyers to transmit money over
 20 interstate wires. To date, the scheme has netted a total of approximately \$353,850.00 in
 21 wire transfers to the bank account of AUTO FINANCIAL, LLC, approximately
 22 \$96,352.00 in wire transfers to the bank account of MGA ENGINES, LLC, and
 23 approximately \$251,990 in wire transfers to the bank account of GMC AUTOS, LLC.

24 5. The investigation revealed that DELACRUZ PIOTE opened and used a
 25 bank account in the name of GMC Autos LLC at Chase Bank, account 3018, at the
 26 branch located at 14400 124th Ave. NE., Kirkland, WA 98034. DELACRUZ PIOTE
 27 also opened accounts in the name of GMC Autos LLC at Bank of America, accounts
 28 9703 & 9612, at the branch located at 12727 SE 38th St., Bellevue, WA 98006.

1 DELACRUZ PIOTE further opened and used accounts in the name of GMC Autos LLC
 2 at Wells Fargo Bank, accounts 3202 & 9548, at the branch located at 13505 NE. 175th
 3 St., Woodinville, WA 98072

4 6. The investigation to date has revealed that wires sent by victims to the
 5 following bank accounts under the names of GMC AUTOS, LLC, AUTO FINANCIAL,
 6 LLC, and MGA ENGINES, LLC appear to have been based on Internet ads for
 7 fraudulent and non-existent merchandise. Moreover, the investigation of SA Natane
 8 Adkins confirmed that each of the people listed in the following table sent money to the
 9 co-schemers to purchase a vehicle, but they ultimately did not receive the item they had
 10 paid for. These transactions are further set out in the table below:

| Date Received | Sender | Sender's Bank | Item | Beneficiary | Beneficiary's Bank | Amount |
|---------------|--------|--------------------|-----------------------|---------------------|--------------------|---------------------|
| 8/04/2011 | P.A. | B of A | | GMC AUTOS, LLC | Chase 3018 | \$32,000.00 |
| 8/05/2011 | O.M.I | TD Bank | 2010 Toyota Tundra | GMC AUTOS, LLC | Chase 3018 | \$32,500.00 |
| 8/8/2011 | S.A. | Wells Fargo Bank | 2010 Lexus GX460 | GMC AUTOS, LLC | Chase 3018 | \$45,650.00 |
| 8/08/2011 | C.S. | Key Bank | 2010 Mercedes Benz GL | GMC AUTOS, LLC | Chase 3018 | \$5,000.00 |
| 8/08/2011 | A.M.G. | RBS Citizen's Bank | 2010 Infiniti FX35 | GMC AUTOS, LLC | BofA 9703 | \$30,000.00 |
| 8/09/2011 | A.K. | RBS Citizens | 2010 Mercedes Benz GL | GMC AUTOS, LLC | Chase 3018 | \$5,000.00 |
| 8/10/2011 | K.C.C. | Chase Bank | | GMC AUTOS, LLC | BofA 9703 | \$33,000.00 |
| 8/11/2011 | C.S.L. | Chase Bank | | GMC AUTOS, LLC | Chase 3018 | 33,490.00 |
| 8/11/2011 | S.A. | Wells Fargo Bank | 2010 Lexus RX350 | GMC AUTOS, LLC | Chase 3018 | \$35,350.00 |
| | | | | | Sub Total: | \$251,990.00 |
| 7/14/2011 | T.N. | Chase Bank | 2008 Audi S5 | AUTO FINANCIAL, LLC | Wells Fargo 4216 | \$38,000.00 |

| | | | | | | | |
|----|-----------|----------|--------------------------------|--------------------------|---------------------|-------------------|---------------------|
| 1 | 7/18/2011 | S.M. | First Citizen's Bank | 2006 Fleetwood Excursion | AUTO FINANCIAL, LLC | Banner Bank 6215 | \$60,350.00 |
| 2 | 7/19/2011 | B.D. | XXXX | 2010 Lexus | AUTO FINANCIAL, LLC | Wells Fargo 4216 | \$58,000.00 |
| 3 | 7/20/2011 | A.S. | Voyager Bank | 2007 Malibu Wakesetter | AUTO FINANCIAL, LLC | Banner Bank 6215 | \$21,000.00 |
| 4 | 7/21/2011 | J.M. | Chase Bank | 2009 Audi S5 | AUTO FINANCIAL, LLC | Chase Bank 3247 | \$39,000.00 |
| 5 | 7/21/2011 | M.G.A. C | BofA | 2009 Mercedes SL65 | AUTO FINANCIAL, LLC | Chase Bank 3247 | \$92,000.00 |
| 6 | 7/25/2011 | J.H.M | HSBC Bank | 2010 Toyota Tundra | AUTO FINANCIAL, LLC | BofA 5618 | \$33,500.00 |
| 7 | 8/5/2011 | I.M. | BTCO | BMW X5 | AUTO FINANCIAL, LLC | Chase Bank 3247 | \$12,000.00 |
| 8 | | | | | | Sub Total: | \$353,850.00 |
| 9 | 7/6/2011 | S.K. | BofA | | MGA ENGINES, LLC | BofA 4215 | \$35,000.00 |
| 10 | 7/7/2011 | M.R. | Wachovia Bank | Airstream Motor home | MGA ENGINES, LLC | BofA 4215 | \$16,500.00 |
| 11 | 7/11/2011 | A.S. | Commonwealth Bank of Australia | E type Jaguar | MGA ENGINES, LLC | BofA 4215 | \$14,850.00 |
| 12 | 7/13/2011 | D.R. | Wells Fargo | Wire transfer recalled | MGA ENGINES, LLC | US Bank | \$27,500.00 |
| 13 | 7/13/2011 | N.P. | BofA | Wire transfer recalled | MGA ENGINES, LLC | US Bank | \$48,000.00 |
| 14 | 7/15/2011 | K.P. | | | MGA ENGINES, LLC | Chase 9033 | \$14,982.00 |
| 15 | 7/15/2011 | G.G. | | 1969 Chevrolet Camaro | MGA ENGINES, LLC | Chase 9033 | \$14,700.00 |
| 16 | | | | | | Sub Total: | \$172,032.00 |
| 17 | | | | | | TOTAL: | \$777,872.00 |

1 7. The investigation to date has further revealed that, after the victim sent
 2 wires to the fraudulent businesses and their bank accounts, the co-schemers made cash
 3 withdrawals, in amounts under the Currency Transaction Reporting (CTR) limit of
 4 \$10,000, from the bank accounts in the name of GMC AUTOS, LLC. Examples are
 5 included in the table below:

| Date | Sender Bank Account | Sender | Transaction | Beneficiary | Beneficiary Bank | Amount |
|----------|---------------------|----------------|-------------|-------------|------------------|---------|
| 08/02/11 | BofA 9703 | GMC AUTOS, LLC | Withdrawal | | | \$5,000 |
| 08/03/11 | BofA 9703 | GMC AUTOS, LLC | Withdrawal | | | \$2,000 |
| 08/05/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$4,300 |
| 08/05/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$3,500 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$2,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$4,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$4,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$5,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$2,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$7,000 |
| 08/08/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$6,000 |
| 08/08/11 | BofA 9703 | GMC AUTOS, LLC | Withdrawal | | | \$6,000 |
| 08/08/11 | BofA 9703 | GMC AUTOS, LLC | Withdrawal | | | \$5,000 |
| 08/09/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$9,500 |
| 08/09/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$5,000 |
| 08/09/11 | BofA 9703 | GMC AUTOS, LLC | Withdrawal | | | \$8,500 |
| 08/10/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$5,000 |

| | | | | | | | |
|---|----------|------------|----------------|------------|--|---------------|-----------------|
| 1 | 08/10/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$7,000 |
| 2 | 08/10/11 | Chase 3018 | GMC AUTOS, LLC | Withdrawal | | | \$6,300 |
| 3 | | | | | | TOTAL: | \$97,100 |

5 III. FRAUDULENT SCHEME

6 8. To accomplish the scheme, BLASCO GUTIERREZ, GANDULLO
 7 MORCILLO, DELACRUZ PIOTE, or an unidentified co-schemer, would place an
 8 Internet ad or online advertisement offering to sell a recreational vehicle (RV), motor
 9 home, car, or boat. When potential victims indicated interest in buying the advertised
 10 item, a fictitious seller would respond to the victim by phone and/or email. The email
 11 response often fraudulently instructed the buyers to use a "safe" intermediary account at
 12 "Amazon Payments," and further assured them this method was being employed "to
 13 avoid being scammed." In truth and fact, the schemers had no association with
 14 Amazon.com, and instead used that label to fool their victims into believing that the
 15 transaction was somehow sponsored or protected by Amazon.com. Next, a second email
 16 would be sent to the victim, directing him or her to wire the funds to Amazon Payments,
 17 but which provided a bank account number belonging to MGA ENGINES, LLC, AUTO
 18 FINANCIAL, LLC, and/or GMC AUTOS, LLC. Once the funds were received into the
 19 accounts of MGA ENGINES, LLC, AUTO FINANCIAL, LLC, or GMC AUTOS, LLC,
 20 the schemers would then cause the funds to be wired out of the U.S. and into a foreign
 21 bank account, or the schemers would simply withdraw the proceeds as cash.

22 IV. FACTUAL BASIS FOR ARREST WARRANT

23 9. In July 2011, HSI Special Agent (SA) Xavier Martinez received a duty call
 24 from a bank representative at Columbia Bank, Kent, Washington branch, located at 504
 25 W. Meeker, stating that she had an individual, identified with his Spanish passport as
 26 Jose Antonio GANDULLO MORCILLO, who was attempting to set up a business bank
 27 account in the name of MGA ENGINES, LLC. The Columbia Bank representative stated
 28 that it was unusual (and suspicious) to have individuals with documentation from another

1 country wanting to set up a business bank account, particularly with a recently created
 2 business where the business address was a UPS Store mailbox. In addition, the Columbia
 3 Bank representative stated that they had a recent encounter with other foreigners involved
 4 in a fraud scheme using recently created businesses and UPS Store mailboxes. SA
 5 Natane Adkins contacted the Columbia Bank representative by phone and received a
 6 copy of GANDULLO MORCILLO's identification documents provided to Columbia
 7 Bank.

8 10. SA Natane Adkins also received a call from a Key Bank representative,
 9 who stated another individual, identified as BLASCO GUTIERREZ by a Spanish
 10 passport, had attempted to open a business bank account at Key Bank with the name
 11 AUTO FINANCIAL, LLC. A copy of BLASCO GUTIERREZ's identification and
 12 business documents were obtained by Key Bank and forwarded to SA Natane Adkins.

13 11. Based on information in the passports received from Key Bank and
 14 Columbia Bank, it was determined that BLASCO GUTIERREZ and GANDULLO
 15 MORCILLO entered the United States on June 27, 2011. Records from the State of
 16 Washington revealed, however, that before either of them entered the U.S., someone
 17 established MGA ENGINES, LLC and AUTO FINANCIAL, LLC with the Washington
 18 Secretary of State and the Washington Department of Revenue. Records further revealed
 19 that GANDULLO MORCILLO was listed as the registered agent for MGA ENGINES,
 20 LLC, and that BLASCO GUTIERREZ was the registered agent for AUTO FINANCIAL,
 21 LLC. In addition, before GANDULLO MORCILLO and BLASCO GUTIERREZ
 22 entered the U.S., someone opened two UPS store mailboxes, one in the name of MGA
 23 ENGINES, LLC, and the other in the name of AUTO FINANCIAL, LLC.

24 12. GANDULLO MORCILLO and BLASCO GUTIERREZ attempted and
 25 failed to open business bank accounts in the name of MGA ENGINES, LLC and AUTO
 26 FINANCIAL, LLC at four bank locations; however, records obtained from several other
 27 banks revealed that GANDULLO MORCILLO and BLASCO GUTIERREZ succeeded
 28 in opening accounts at several other banks. They succeeded in opening business bank

1 accounts in the name of MGA ENGINES, LLC, and AUTO FINANCIAL, LLC, at the
 2 following five banks, all of which are located in the Western District of Washington:

- 3 • BofA (Auto Financial), 311 4th Ave. N., Kent, WA 98032
- 4 • BofA (MGA Engines), 15600 NE 8th Street, Suite A9, Bellevue WA 98008
- 5 • Chase Bank, (Auto Financial), 512 W. Smith St., Kent, WA 98032
- 6 • Chase Bank, (MGA Engines), 8010 164th Ave. NE., Redmond, WA 98052
- 7 • Wells Fargo Bank (Auto Financial), 3001 78th Ave. SE., Mercer Is., WA 98040
- 8 • Wells Fargo Bank (MGA Engines), 460 Central Way, Kirkland, WA 98033
- 9 • Banner Bank, (Auto Financial), 202 Kirkland Ave. NE, Kirkland, WA
- 10 • U.S. Bank, (MGA Engines), 17020 Redmond Way, Redmond, WA 98052

12 13. In July 2011, SA Natane Adkins and HSI Intelligence Research Specialist
 13 Adina Ferguson conducted an interview of Michelle Petrovich, Assistant Vice President
 14 and Branch Manager at the Key Bank branch located at 7917 Center Boulevard SE,
 15 Snoqualmie, Washington. During the interview, SA Natane Adkins learned that Michelle
 16 Petrovich was working at Key Bank's Belgate branch in Bellevue, WA on July 6, 2011,
 17 when two white males, later identified as GANDULLO MORCILLO and Jose Last Name
 18 Unknown (LNU), entered the Belgate branch to set up a checking account. The two men
 19 said they wanted an account on which they could "get checks and write checks." Jose
 20 LNU further explained that the checking account was for GANDULLO MORCILLO's
 21 business (MGA ENGINES, LLC).

22 14. In July 2011, GANDULLO MORCILLO and Jose LNU had been observed
 23 together at a Key Bank branch and a BofA branch in Bellevue, WA via surveillance
 24 footage. Ms. Petrovitch stated that if there were communication issues between
 25 GANDULLO MORCILLO and the bank representative, Jose LNU would arrive shortly
 26 after a call was made by GANDULLO MORCILLO to assist with either the bank
 27 transaction or communication with the bank employees. I later confirmed that Jose LNU
 28 was in fact DELACRUZ PIOTE.

1 15. On July 25, 2011, the Redmond Police Department arrested BLASCO
 2 GUTIERREZ at the Banner Bank branch located at 202 Kirkland Ave. NE, Kirkland,
 3 Washington. BLASCO GUTIERREZ was arrested for theft involving two fraudulent
 4 wires totaling approximately \$81,350, sent to the account of AUTO FINANCIAL, LLC.
 5 Redmond Police Department Detective Laura Murphy stated that the senders of the wires
 6 were from Minnesota and South Carolina, and both had reported the transactions as
 7 fraudulent because they never received the vehicles they purchased.

8 16. BLASCO GUTIERREZ made bail but failed to appear for his next hearing.
 9 Investigation reveals that he fled the United States. On August 5, 2011, Special Agent
 10 Natane Adkins and SA Lindsay Wills contacted Mr. Chan in Mercer Island, Washington
 11 regarding the bond payment for BLASCO GUTIERREZ. During the interview SA
 12 Natane Adkins learned that Mr. Chan was contacted by a Romanian individual, later
 13 identified by Mr. Chan as Emilian Madelin NITA, and Juan Carlos DELACRUZ PIOTE,
 14 who stated that they were “roommates and good friends.” He received an initial payment
 15 of \$500, and was provided \$10,000 in cash for the bond payment from NITA. Later that
 16 day, I was contacted by Mr. Chan who stated that he was actually paid by three people; to
 17 include Lubos SZABO, who is the owner of the DANUBE BISTRO, DELACRUZ
 18 PIOTE, and NITA.

19 17. Records checks showed that DELACRUZ PIOTE entered the U.S. on or
 20 about June 16, 2011, and was listed as the registered agent of the business GMC AUTOS,
 21 LLC, which was established one day after he entered the U.S. In or around May 2009,
 22 DELACRUZ PIOTE was previously identified in a separate HSI investigation as an
 23 associate of Casiani M. GHERLAN, who claimed that he and DELACRUZ PIOTE had
 24 both worked for NITA in California. The work involved setting up bank accounts by
 25 using fake passports and other fake identification documents.

26 18. DELACRUZ PIOTE succeeded in opening business bank accounts in the
 27 name of GMC AUTOS, LLC at the following three banks, all of which are located in the
 28 Western District of Washington:

- 1 • Bank of America located at 12727 SE 38th St., Bellevue, WA 98006
- 2 • Chase Bank located at 14400 124th Ave. NE., Kirkland, WA 98034
- 3 • Wells Fargo Bank located at 13505 NE. 175th St., Woodinville, WA 98072

4

5 **V. INTERVIEW OF DELACRUZ PIOTE**

6 19. On August 21, 2011, Customs and Border Protection (CBP) Officers
 7 encountered DELACRUZ PIOTE during an outbound currency inspection while
 8 boarding Delta Airlines flight 232 to Amsterdam, The Netherlands. DELACRUZ PIOTE
 9 was found to be carrying approximately \$6,500 in cash in his carry-on luggage. He
 10 stated that he had entered the U.S. with approximately \$9,500 in cash. SA Natane
 11 Adkins and SA Lindsay Wills were present when CBP encountered DELACRUZ PIOTE
 12 and SA Lindsay Wills provided interpretation in the Spanish language.

13 20. SA Natane Adkins and SA Lindsay Wills conducted a border search of
 14 DELACRUZ PIOTE's checked bag at the SeaTac airport, which provided an itinerary for
 15 DELACRUZ PIOTE, BLASCO GUTIERREZ, and GANDULLO MORCILLO to fly
 16 from Madrid, Spain to Bucharest, Romania on June 11, 2011. We also found Chase
 17 Bank blank checks, with routing #325070760 and bank account 3018, with no payee
 18 information; Chase Bank blank checks, with routing #325070760 and bank account
 19 985201920, belonging to Juan Carlos DE LA CRUZ at 227 Bellevue Way NE., #35,
 20 Bellevue, WA (a UPS Store address); Chase Bank blank checks with routing #570201025
 21 and bank account 3028860025; and miscellaneous business cards, including AUTO
 22 FINANCIAL, LLC (owned by BLASCO GUTIERREZ).

23 21. SA Natane Adkins and SA Lindsay Wills interviewed DELACRUZ PIOTE
 24 in CBP's federal inspection area, with SA Lindsay Wills providing interpretation in the
 25 Spanish language. DELACRUZ PIOTE told agents he entered the United States on June
 26 16, 2011 from Spain for vacation; however, prior to leaving Spain, friends in Spain had
 27 told him that he could start a business in the United States and work here. (In fact,
 28 DELACRUZ PIOTE's flight to the US originated from Romania, not Spain.)

1 DELACRUZ PIOTE stated that he started his business paperwork online in Spain, and an
 2 acquaintance in the U.S., known as Tony Last Name Unknown (LNU), had assisted him
 3 with the business paperwork. After arriving to the U.S., he met with Tony LNU in
 4 Bellevue, WA at a club and a couple times at the DANUBE BISTRO in Bellevue, WA.

5 22. DELACRUZ PIOTE told us that the business plan for GMC AUTOS, LLC
 6 was to act as an intermediary, where he would receive a profit for placing the buyer and
 7 seller in contact with each other. He would also act as the money transferor. His
 8 business, GMC AUTOS, LLC does not have a physical location because he finds cars
 9 online or at used car stores, so his business location is essentially wherever he is. For
 10 example, suppose person A is selling an RV and person B wants to buy this RV. Person
 11 B pays DELACRUZ PIOTE, who then keeps a percentage of the funds, and gives the
 12 remaining funds to person A. DELACRUZ PIOTE does not deal with any vehicle title or
 13 registration documents, he only puts people in contact and provides an address.
 14 (DELACRUZ PIOTE's bank accounts fail to reflect these kinds of transactions.)

15 DELACRUZ PIOTE stated that his business was currently "up in the air," which he
 16 explained as that he's still working on delivering vehicles. However, he did report that
 17 one time, a person did not receive the vehicle that they had paid for, so he claimed he
 18 returned the entire amount of funds paid to him through Chase bank. Otherwise, he has
 19 not heard of any other complaints. (Information has been received from Chase bank that
 20 there have been no outgoing wires from Chase bank account 3018.)

21 23. When shown a picture of DELACRUZ PIOTE and GANDULLO
 22 MORCILLO entering a bank together, DELACRUZ PIOTE stated that GANDULLO
 23 MORCILLO had paid him to go to the bank a couple times with him because he was
 24 having issues with transfers and opening bank accounts.

25 24. On or about August 25, 2011, a victim, S.A. contacted the U.S. Secret
 26 Service (USSS) to report that he/she had sent two wires on the 8th and 11th of August
 27 2011 to Chase Bank account 3018 in the name of GMC AUTOS, LLC for two 2010
 28

1 | Lexus', for a total of approximately \$81,000. As of this date, he/she has not received the
2 | vehicles in which he/she paid for and has been unable to contact the seller.

3 25. On August 29, 2011, USSS SA Seth Reeg and SA Natane Adkins met with
4 S.A. at the USSS's office in Seattle, WA regarding the report of fraud. S.A. stated that
5 he/she was contacted by one of his/her customers, A.K., in Russia who owns an import
6 business called From JP.com, which is located in Vladivostok, Russia. A.K. had found a
7 couple cars which he/she was interested in purchasing online via the website mga-
8 gmc.autodealerspoint.com. A.K. asked that S.A. facilitate the transaction and export of
9 the cars requested by A.K. On or about August 2, 2011, S.A. contacted the dealer, David
10 KLEIN, via phone and email who confirmed the Lexus' were available for purchase.
11 S.A. received the sales agreements, commercial invoices, and additional photos of the
12 cars from KLEIN. On August 8 and 11, 2011, during two separate transactions, S.A.
13 wired a total of \$81,000 to Chase bank account 3018 in the name of GMC AUTOS, LLC
14 in San Antonio, TX. S.A. eventually received faxed copies of the vehicle titles. Once the
15 vehicle titles were received, S.A. thought that they did not appear valid. S.A. then
16 contacted the Texas Department of Motor Vehicles who confirmed that the vehicles had
17 never been titled in Texas. On or about August 16, 2011, S.A. ordered an independent
18 inspection of the vehicles, which KLEIN seemed amenable to; however, subsequent
19 phone calls made by S.A. to KLEIN went directly to voicemail and email messages sent
20 to KLEIN have not been returned. S.A. stated that the website looked all so real KLEIN
21 knew all the right things to say.

VI. CONCLUSION

23 26. GANDULLO MORCILLO, BLASCO GUTIERREZ, and DELACRUZ
24 PIOTE used their Spanish passports, National ID cards, and business documents for
25 MGA ENGINES, LLC, AUTO FINANCIAL, LLC, and GMC AUTOS, LLC,
26 respectively, to open the bank accounts. They used the UPS Store mailboxes and
27 previously established auto businesses for the "location" of their businesses. Using the
28 address of an already established auto business in the Western District of Washington

1 would facilitate the deception to an unwitting victim that the business in fact existed.
2 Once the suspects opened business bank accounts, bank records revealed that MGA
3 ENGINES, LLC, AUTO FINANCIAL, LLC, and GMC AUTOS, LLC received multiple
4 wires to these bank accounts, sent from various people across the United States and
5 overseas for vehicle related purchases. Once the wires were received into the business
6 bank accounts, GANDULLO MORCILLO, BLASCO GUTIERREZ, DELACRUZ
7 PIOTE, or unidentified co-schemers, almost immediately withdrew the proceeds from the
8 accounts as currency, or caused wires to be sent to individuals overseas, including but not
9 limited to, individuals in Germany, Hungary, and Romania.

10 27. Based on the above facts, I respectfully submit that there is probable cause
11 to believe that Juan Carlos DELACRUZ PIOTE did knowingly and intentionally commit
12 violations of 18 U.S.C. § 1343, wire fraud.

Lindsay Wills
Lindsay Wills
Special Agent
Homeland Security Investigations

Subscribed to and Sworn to before me this 19th day of July, 2013.


J. RICHARD CREATURA
United States Magistrate Judge